

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for modification
of transportation cost recovery
factors by Florida Public
Utilities Company.

DOCKET NO. 030022-GU
ORDER NO. PSC-03-0336-TRF-GU
ISSUED: March 10, 2003

The following Commissioners participated in the disposition of
this matter:

LILA A. JABER, Chairman
J. TERRY DEASON
BRAULIO L. BAEZ
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON

ORDER APPROVING MODIFICATION TO
TRANSPORTATION COST RECOVERY FACTORS

BY THE COMMISSION:

By Order No. PSC-01-0073-TRF-GU, issued January 9, 2001, this Commission approved Florida Public Utilities Company's ("FPUC" or "the Company") initial natural gas transportation service tariffs, which included a cost recovery mechanism called a Non-Monitored Transportation Administration Charge ("NTAC"). The NTAC provides a mechanism through which FPUC may recover its incremental expenses in providing unbundled natural gas transportation service. Customers subject to the NTAC are not required to have electronic measurement equipment for the monitoring of their natural gas usage.

By Order No. PSC-01-1963-TRF-GU, issued October 1, 2001, we approved initial NTAC cost recovery factors for FPUC to apply on a cents-per-therm basis to its customers' actual consumption for the period October, 2001, through December, 2002. These factors reflected FPUC's projected incremental expense of \$58,500

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associated with making transportation service available to all non-residential customers for the period August 1, 2001, through December 31, 2002. In accordance with FPUC's tariffs, any amount recovered in excess of or below actual costs incurred for that period would be "trued-up" at the end of the period and reflected in NTAC cost recovery factors to be established for the next calendar year period. By Order No. PSC-02-0654-TRF-GU, issued May 13, 2002, these initial NTAC cost recovery factors were modified to reflect the effect of FPUC's acquisition of the assets of South Florida Natural Gas.

On January 3, 2003, FPUC filed a petition to modify its NTAC cost recovery factors, with the new factors to apply to customers' consumption for the period March through December, 2003. FPUC filed a revised petition on January 29, 2003. This Order addresses FPUC's revised petition to modify its NTAC cost recovery factors. Jurisdiction over this matter is vested in the Commission by several provisions of Chapter 366 Florida Statutes, including Sections 366.04, 366.05, and 366.06 Florida Statutes.

Based on FPUC's calculations, the NTAC generated total revenues of \$101,261 for the period October 1, 2001, through December 31, 2002, while the Company's corresponding expenses for the period were \$23,372. Thus, FPUC has recovered \$77,889 in excess of its actual costs. For the period January through December, 2003, FPUC projects ongoing program costs of \$63,000. Netting FPUC's prior period over-recovery with its projected period costs results in a refund of \$14,889 ($\$63,000 - \$77,889$). FPUC proposes to refund this amount to its customers through its NTAC cost recovery factors during the period March through December, 2003.

Based on its 2003 annualized budget data regarding the number of bills and therm sales, FPUC allocated the annualized costs to its different rate schedules. FPUC used the same methodology it uses in the natural gas conservation cost recovery clause. The

specific NTAC cost recovery factors proposed for the period March through December, 2003, by rate schedule, are as follows:

General Service and GS Transportation	(\$.00054)/therm
Large Volume Service and LV Transportation	(\$.00035)/therm
Interruptible Service	(\$.00016)/therm

Upon review of FPUC's calculations and allocations, we find that FPUC's proposed new NTAC cost recovery factors, as set forth above, are appropriate. Accordingly, we grant FPUC's revised petition. These new factors shall be effective for the period March 1, 2003, through December, 2003.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Florida Public Utilities Company's revised petition for modification of its Non-Monitored Transportation Administration Charge cost recovery factors is granted. It is further

ORDERED that the Non-Monitored Transportation Administration Charge cost recovery factors approved for Florida Public Utilities Company in this Order shall be effective for the period March 1, 2003, through December, 2003. It is further

ORDERED that if a protest is filed within 21 days of issuance of the Order, the tariff shall remain in effect with any charges held subject to refund pending resolution of the protest. It is further

ORDERED that if no timely protest is filed, this docket shall be closed upon the issuance of a Consummating Order.

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By ORDER of the Florida Public Service Commission this 10th
day of March, 2003.

BLANCA S. BAYÓ, Director
Division of the Commission Clerk
and Administrative Services

By: Marcia Sharma
Marcia Sharma, Assistant Director
Division of the Commission Clerk
and Administrative Services

(S E A L)

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NOTICE OF FURTHER PROCEEDINGS

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

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The Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the proposed action files a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on March 31, 2003.

In the absence of such a petition, this Order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.